

IC 27-13-19

Chapter 19. Replacement Coverage in Event of Receivership

IC 27-13-19-1

"Discontinuance" defined

Sec. 1. As used in this chapter, "discontinuance" means the termination of the contract between a group contract holder and a health maintenance organization due to the receivership of the health maintenance organization. The term does not refer to the termination of an individual contract.

As added by P.L.26-1994, SEC.25.

IC 27-13-19-2

Replacement coverage; challenge of enrollee

Sec. 2. (a) A carrier that provides replacement coverage with respect to group health care services after the discontinuance of the prior health maintenance organization contract or policy providing health care services must, immediately upon beginning to provide the replacement coverage, cover all enrollees who were covered under the previous health maintenance organization contract or policy on the date of discontinuance.

(b) A carrier that provides replacement coverage under this section may challenge whether an individual designated as an enrollee under the previous health maintenance organization contract qualified as an enrollee under the previous health maintenance organization contract.

As added by P.L.26-1994, SEC.25.

IC 27-13-19-3

Provisions reducing or excluding benefits

Sec. 3. (a) Except as provided in subsection (b), a provision in a succeeding carrier's contract of replacement coverage that would operate to reduce or exclude benefits on the basis that the condition giving rise to the benefits preexisted the effective date of the succeeding carrier's contract may not be applied with respect to those enrollees who were covered under the prior carrier's contract or policy on the date of discontinuance.

(b) A provision in a succeeding carrier's contract of replacement coverage may operate to reduce or exclude benefits on the basis of a preexisting condition to the extent that the prior carrier's contract or policy would have required that benefits for the condition be reduced or excluded.

As added by P.L.26-1994, SEC.25.